

OCA-0311
#12

CITY OF OAKLAND



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Office of the City Auditor
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City Auditor

February 17, 1998

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FINANCE AND ADMINISTRATIVE SERVICES COMMITTEE
Oakland, California

Chairperson Russo and Members of the Committee:

Subject: Measure "I" Emergency Response System, "MIERS Project":
Analysis of Expenditures Covering the Period
January 4, 1994 through November 7, 1997

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I. COUNCIL REQUEST

At the November 4, 1997 meeting of the Oakland City Council Finance and Administrative Services Committee, the Committee took the following action:

"The Committee requested that City Auditor review the expenditures in relation to the contracts and the Council's intent in establishing the Measure I Emergency Response System (MIERS) project and provide an analysis of the expenditures."

It should be noted that this report includes information available to us and evaluated by us as of January 27, 1998.

II. GENERAL BACKGROUND

The MIERS Project is the acronym for **Measure "I" Emergency Response System**. Ordinance No. 11413 CMS approved the submission of the proposal to the voters to incur bonded indebtedness, such indebtedness to be incurred "...for the purpose of enhancement of emergency response capabilities and seismic reinforcement of essential public facilities and infrastructure."

At the June 1992 election, the ballot measure proposing the issuance of general obligation bonds for \$50 million and designated Measure "I" by the County Registrar was approved by the voters. After the bonds were issued, Council established Fund 582, "Measure 'I' Capital Projects," to account for the bond proceeds and expenditures incurred to fulfill the purpose of Measure "I."

III. SPECIFIC BACKGROUND

A. Scope and Funding Sources of MIERS Project

1. Scope

In September 1994, the initial scope statement signed by the City Manager and the then-Director of Office of Communications and Information Services (OCIS), stated that the objective of the MIERS Project was "...to develop a system that supports the ability for the City of Oakland to prepare for, respond to, and recover from any emergency." The Request for Proposal (RFP) for construction and development of MIERS describes a design which would address five major types of emergencies: hazardous materials, fire, flood, civil disturbance and earthquake.

In November 1994, work on the first of the five phases began. This first phase of the MIERS Project covered responding to emergencies related to hazardous materials only, and was subsequently known as MIERS Release 1.0, Hazardous Materials.

In September 1995, participants at the Facilitated Information Gathering (FIG) sessions began to identify information and process requirements for MIERS Release 2.0, Fire. It was anticipated that "...the Release 2.0 requirements would be integrated...." into the MIERS Release 1.0, Hazardous Materials requirements after Release 1.0 was delivered.

According to Office of Communications and Information Services (OCIS) staff: (a) work on the requirements definition for Release 2.0, Fire, was suspended in order to focus on Release 1.0, Hazardous Materials; (b) some preliminary requirements definition were identified for Flood (Winter Storm), during the testing phase of Release 1.0; and (c) no work was performed on the other emergency types.

March 1, 1964
March 1, 1964
March 1, 1964

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III. SPECIFIC BACKGROUND (continued)

A. Scope and Funding Sources of MIERS Project (continued)

2. Funding Sources

A summary of all funding sources for the MIERS Project is shown below:

<u>Fund No.</u>	<u>Fund Title/Project</u>	<u>Amount</u>
582	Measure "I" Capital Projects/GIS	\$4,899,026
582	Measure "I" Capital Projects/Street Lighting	213,948
550	Capital Improvement/GIS (Loan)*	<u>2,457,000</u>
	Total	<u>\$7,569,974</u>

*To be repaid by OCIS from its Fund 101 General Fund budget over a five-year period at \$570,000 per year beginning with 1997-98.

B. MIERS Project's Four Primary Components

Based on a detailed, analytical review and evaluation of available documentation and information, we reduced this complex project into its four primary components and ascertained the ends to be attained by each component, as shown below:

1. Component 1: RFP--Request for Proposal

- Preparation of MIERS Release 1.0, Hazardous Materials, requirements documentation for RFP.
- Development and production of an RFP to recruit for services of a vendor to develop and install the Emergency Management Information System (EMIS)/Geographic Information System (GIS).
- Evaluation of responses to RFP.

2. Component 2: GIS--Geographic Information System

- Expansion and creation of electronic base maps and various layers of digitized geographic features.
- Development of GIS application to support EMIS.

III. SPECIFIC BACKGROUND (continued)

B. MIERS Project's Four Primary Components (continued)

3. Component 3: IEMIS--Interim Emergency Management Information System

- Installation of IEMIS to cover emergencies including fire, earthquake, flood and civil disturbance, as well as hazardous materials, pending completion of EMIS.

4. Component 4: EMIS--Emergency Management Information System

- Development and installation of emergency response system to handle only hazardous materials emergencies.

C. MIERS Project Management Responsibilities

The Office of Communications and Information Services (OCIS) was assigned the responsibility for administering the MIERS Project.

IV. COMPREHENSIVE FINANCIAL SUMMARY

The attached **Schedule A** contains detailed financial information pertaining to each contractor, as described below:

- Council resolutions authorizing the contracts and contractual amounts.
- Payments made to the contractors with such payments linked to the pertinent MIERS Project's component(s) on which the contractors performed work.
- Our research indicated that much of the information presented in the contractors' itemized invoices was not clearly identifiable with the deliverables as stated in the pertinent contracts. Therefore, using the best information available, we spent considerable time connecting the City's payments to the contracts' deliverables as well as to the specific component of the MIERS Project on which the work was performed.

IV. COMPREHENSIVE FINANCIAL SUMMARY (continued)

A recap is shown below:

• Total Contractual Amounts Approved by Council	<u>\$7,569,974</u>
• Payments Made As Authorized by OCIS:	
Work Performed on Component 1: RFP	\$ 780,663
Work Performed on Component 2: GIS	2,857,709
Work Performed on Component 3: IEMIS	289,532
Work Performed on Component 4: EMIS	<u>2,758,136</u>
Paid As of November 7, 1997	<u>\$6,686,040</u>
• Remaining Balance at November 7, 1997*	<u>\$ 883,934</u>

- * Payments totaling \$499,760 made to DEC between November 7, 1997 and December 12, 1997 have not been included in the amount paid as of November 7, 1997, and have not been deducted from the November 7, 1997 remaining balance. The financial impact of any other outstanding unpaid invoices and DEC Change Orders is not known at this time. The Director of OCIS is researching this matter.

It should be noted that not all of the hardware, software and telecommunications equipment purchased with MIERS Project monies will be used exclusively to implement the MIERS Project. Our best estimate is that approximately \$1.4 million of such hardware, software and telecommunications equipment will help to enhance the basic infrastructure of the City's information technology system.

V. COMPREHENSIVE OPERATIONAL SUMMARY

The attached **Schedule B** contains operational information pertaining to the deliverables the City contracted to receive.

The deliverables for each component of the MIERS Project consist of a series of line items and/or "tasks" to be completed by the contractors, as set forth in the contracts.

A recap of the "bottom line deliverables" received by the City as of November 7, 1997 is shown below:

<u>Component</u>	<u>Contractor</u>	<u>Bottom Line Deliverable</u>
RFP --Request for Proposal	CH2M Hill	City received the RFP.

V. **COMPREHENSIVE OPERATIONAL SUMMARY** (continued)

<u>Component</u>	<u>Contractor</u>	<u>Bottom Line Deliverable</u>
GIS --Geographic Information System	CH2M Hill	City received nearly all the deliverables. However, there is a lack of consensus between OCIS and end users as to the accuracy and completeness of some of the GIS layers delivered. (See Note 1.)
	DEC	City received nearly all the deliverables. However, there is a lack of consensus between OCIS and end users as to the accuracy and completeness of some of the GIS layers delivered. (See Note 1.)
	Metropolitan Forum	City received the "Bottom Line Deliverable."
	SYNON	City received the "Bottom Line Deliverable."
	Zeiger Engineers	City received the "Bottom Line Deliverable."
	Various Vendors	City received the "Bottom Line Deliverable."
IEMIS --Interim Emergency Management Information System	CH2M Hill	City did not receive a working IEMIS. (See Note 1.)
EMIS --Emergency Management Information System	DEC	City has not yet received the "Bottom Line Deliverable."
	CH2M Hill	City received the "Bottom Line Deliverable" in December 1997 when the contractor conducted the acceptance test, described as "Client Demonstration of Capabilities." The test results were inconclusive. OCIS staff and DEC performed additional work. A second round of testing was performed in mid-January 1998. The test results were under review as of January 27, 1998.

Note 1: The Director of OCIS has been meeting with the contractors and end users to clarify this matter. Our office interviewed OCIS staff and end users, but did not have the opportunity to meet with the contractors.

VI. OBSERVATIONS AND RECOMMENDATIONS

A. Area of Operations Covered by Budget and Finance Agency

1. Observation

We are not aware that the Budget and Finance Agency has provided for the repayment to Fund 550 of \$570,000 per year for the five fiscal years beginning with fiscal year 1997-98.

Recommendation

We recommend that the Budget and Finance Agency research this matter and take the necessary action.

Budget and Finance Agency's Response

"The loan repayment agreement calls for five annual payments of \$570,000 to the Municipal Improvement Capital Fund. This appropriation was provided for in the 1997-98 Adopted Budget, as it was inadvertently omitted from the citywide listing of active Municipal Improvement Capital Fund loans. However, funds have been identified to provide for this appropriation. The Budget Office will transfer \$570,000 from the amount appropriated for transfer to the Self-Insurance Fund (101/14) to provide for the 1997-98 loan repayment."

"The 1997-98 costs for claims and settlements, normally funded through Self-Insurance Fund appropriations, are anticipated to be paid directly through the liability account established by the City's external auditors at the close of fiscal year 1996-97. As such the 1997-98 appropriation to the Self-Insurance Fund can be re-programmed to provide for the required loan repayment."

"In addition, staff will update the Citywide listing of Municipal Improvement Capital fund loans to reflect the MIERS Project loan and ensure that it is included in subsequent budgets, for the duration of the loan."

2. Observation

We noted that the Fund 550 accounts do not reflect the \$2,457,000 loan receivable at June 30, 1997.

Recommendation

We recommend that the Budget and Finance Agency research this matter and take the necessary action to ensure that the accounting records are complete and accurate.

VI. OBSERVATIONS AND RECOMMENDATIONS (continued)

A. Area of Operations Covered by Budget and Finance Agency (continued)

2. Budget and Finance Agency's Response

"The Accounting Division of the Budget and Finance Agency has verified that no receivable accounts had been established for the above referenced loan. As such, staff has been directed to establish the necessary accounting entries to reflect both the "Due To" within Fund 101/00 and "Due From" account within Fund 550/00.

B. Area of Operations Covered by Office of Communications and Information Services

3. Observation

Our review of contractors' invoices indicates that approximately \$1.3 million of equipment including but not limited to personal computers, network servers, printers, scanners, plotters and laptops had been acquired with MIERS Project monies. Inventory records pertaining to much of the equipment and their locations were not available for our review.

Recommendation

OCIS should prepare an inventory report listing all equipment purchased with MIERS Project monies and designate the locations of such equipment. Such a report should be submitted to the City Auditor for a follow-up confirmation and verification of the equipment and their locations.

Action Taken by Office of the City Auditor

- To help OCIS get started on the inventory taking, we prepared a list of equipment purchased by CH2M Hill for the MIERS Project, as shown on their invoices. We provided the list to OCIS on November 17, 1997 and requested them to begin verifying the existence of the equipment and designating their locations.
- On January 23, 1998 we provided a list of equipment purchased through the DEC contract to OCIS for them to verify the existence of the equipment and designate their locations.
- On January 27, 1998 we provided a list of equipment purchased from various vendors (other than through CH2M Hill and DEC) to OCIS for them to verify the existence of the equipment and designate their locations.

VI. OBSERVATIONS AND RECOMMENDATIONS (continued)

B. Area of Operations Covered by Office of Communications and Information Services (continued)

3. Action Taken by OCIS

- On January 13, 1998 OCIS provided us with an inventory listing of the software purchased through the DEC contract. The list had been reviewed by the Office of Emergency Services, with their comments noted.

Further Action Needed

OCIS needs to:

- a. verify the existence and location of the equipment purchased through the CH2M Hill contract as shown on our list;
- b. verify the existence and location of the equipment purchased through the DEC contract as shown on our list;
- c. verify the existence and location of the equipment purchased from various vendors (other than through CH2M Hill and DEC) as shown on our list; and
- d. inventory all application software and licenses purchased through the MIERS Project.

4. Observation

Our review disclosed that OCIS, serving as the department responsible for administering the MIERS Project, did not have structured monitoring procedures in place. This resulted in the following deficiencies:

- a. Files of Change Orders, status reports, invoices and supporting documentation for invoices were incomplete.
- b. Files were not located in the administrative unit of OCIS.
- c. Inventory records were not maintained.
- d. In numerous instances, only one sign-off was required for approval of Change Orders and other authorizing documents.

VI. OBSERVATIONS AND RECOMMENDATIONS (continued)

B. Area of Operations Covered by Office of Communications and Information Services (continued)

4. Recommendations

Written procedures should be established to ensure that:

- a. clerical support be available to help maintain complete files of invoices, Change Orders, status reports, minutes of meetings and relevant correspondence and information;
- b. files pertaining to contracts and contractors be kept in the administrative unit and be readily available to those in need of such information;
- c. complete audit trails be maintained to account for all purchases of equipment and the location of such equipment; and
- d. controls be strengthened in the areas of approval of Change Orders, payment of invoices and authorization of all transactions affecting the operational or financial aspects of the contract/project.

OCIS' Response

- a. "The administrative staff of OCIS is working with the project administrator, technical project manager and vendors to assure that all change orders and associated invoices are accounted for. Targeted completion date for this is March 15, 1998."

"A temporary administrative assistant was hired to file and organize existing memos and documentation. This work is now complete."
- b. "All vendor contracts are on file in the OCIS administrative staff area. Memos and other working files have been organized and are kept with the technical project manager for ease of access."
- c. "OCIS will coordinate their efforts with the Purchasing Unit of the Budget and Finance Agency to assign asset number(s) to hardware purchased for OCIS projects. All hardware components will be tagged for ease of identification."

VI. OBSERVATIONS AND RECOMMENDATIONS (continued)

B. Area of Operations Covered by Office of Communications and Information Services (continued)

4. OCIS' Response (continued)

c. (continued)

"After installation, OCIS will provide an asset transfer letter to the department supervisor/manager. OCIS will maintain a record of the asset, serial number, asset number and transfer date to each department."

- d. "The Director of OCIS has asked the MIERS Executive Steering Committee for a review of the project's change management procedures to assure that strategic, architectural and technical changes are reviewed and analyzed by senior management and project proponents and stakeholders. This will help assure that the impact of proposed changes have been assessed with regard to cost, quality and time line. Review of the change management process has been scheduled for the end of February."

"The Director of OCIS will also review existing administrative instructions and will supplement procedures where necessary to assure that appropriate sign-off procedures are implemented to review and authorize payments. Procedures will be developed and communicated to OCIS staff by mid-March."

5. Observation

City policy requires two signatures on Payment Requests for authorization and approval.

A contractor's Interim Certificates of Acceptance (i.e., Payment Requests) required the approval of only one City representative.

Recommendation

In the future, such agreements should require the signatures of two City representatives as authorized by the City Manager. This will be consistent with City policy aimed at strengthening internal controls.

OCIS' Response

"Secondary signature procedures will be developed and communicated to OCIS managers and project leaders by the end of March."

VI. OBSERVATIONS AND RECOMMENDATIONS (continued)

B. Area of Operations Covered by Office of Communications and Information Services (continued)

6. Observation

Our review disclosed that many of the itemized invoices submitted by the contractors did not tie in with the deliverables set forth in the contracts. Although approval for payment by an authorized City staff member may infer the receipt of a deliverable, we found it difficult in many instances to link the invoiced items with the deliverables listed in the contracts.

Recommendation

Before the City's authorized representative approves an invoice for payment, he/she should indicate on the invoice what deliverable or portion thereof is being billed. The City's authorized representative should be held accountable for assuring that the City receives the deliverables shown on the contract(s).

OCIS' Response

"Contracts will include an inventory of specific hardware and software components, including professional services, to be provided. Some items listed at the inception of the contract may be discontinued and an equivalent product may be accepted with appropriate written approval."

7. Observation

Our interviews with City staff indicate that although they had numerous meetings with OCIS staff and MIERS contractors, City staff did not receive what they had perceived to be the anticipated deliverables.

Recommendation

As the administering department, OCIS needs to adopt effective project management techniques and maintain a structured approach to ensure that the users' needs will be met.

VI. OBSERVATIONS AND RECOMMENDATIONS (continued)

B. Area of Operations Covered by Office of Communications and Information Services (continued)

7. OCIS' Response

"The manager of OCIS' Application and Development Support Division is preparing a process document which will outline roles and responsibilities in joint application development to assure that customer expectations are kept in synch with the technical team and vendors. The process will document system requirements and features developed with project proponents and stakeholders. It will also provide a process for project proponents to sign-off on system requirements."

"The process document is under development now and will be reviewed with the director of OCIS by the end of February."

8. Observation

We noted that many of the contractors' invoices did not identify the itemized charges by primary categories such as hardware, software, professional services and other.

Recommendation

OCIS might consider the feasibility of requesting contractors to adopt this practice in the future. Such identification on the invoices would:

- a. provide management with information on the allocation of the total contractual amount to the primary categories of charges; and
- b. facilitate City's support staff in developing and maintaining inventory records pertaining to hardware, software and telecommunications equipment purchased through agreements with the contractors.

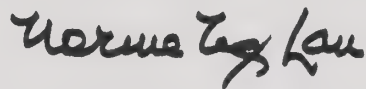
OCIS' Response

They concur.

Our project team, consisting of Josie Limos, Jim Burruel, Kimberly Shunk and Elmer de Leon, performed the research for and assisted in preparing this report.

If you need clarification or additional information, please contact me at 238-3378.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Norma Ng Lau". The signature is written in a cursive, flowing style.

NORMA NG LAU
City Auditor

Attachments: Schedule A
Schedule B

**MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE FINANCIAL SUMMARY OF CONTRACTS IN CONNECTION WITH
COUNCIL RESOLUTIONS AND BUDGETS, WITH PAYMENTS TO CONTRACTORS
LINKED TO APPLICABLE COMPONENT(S) OF MIERS PROJECT
AS OF NOVEMBER 7, 1997 ⁽¹⁾**

(Prepared by the Office of the City Auditor)

• FOUR PRIMARY COMPONENTS OF MIERS PROJECT •							
<u>Name of Contractor</u>	<u>Approved Budget</u>	<u>Amount Paid As of 11/7/97</u>	<u>RFP Request for Proposal</u>	<u>GIS Geographic Information System</u>	<u>IEMIS Interim Emergency Management Information System</u>	<u>EMIS Emergency Management Information System</u>	<u>Remaining Balance As of 11/7/97</u>
<u>CH2M Hill</u>							
• Council Resolution No. 70652, 1/4/94	\$ 850,000						
• Council Resolution No. 72077, 7/25/95	900,000						
• Council Resolution No. 72360, 12/15/95	<u>288,000</u>						
Subtotal	\$2,038,000						
• Council Resolution No. 74023, 1/20/98	<u>32,000</u>						
	<u>\$2,070,000</u>	\$1,990,923	\$780,663	\$ 662,829	\$289,532	\$ 257,899	\$ 79,077

**MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE FINANCIAL SUMMARY OF CONTRACTS IN CONNECTION WITH
COUNCIL RESOLUTIONS AND BUDGETS, WITH PAYMENTS TO CONTRACTORS
LINKED TO APPLICABLE COMPONENT(S) OF MIERS PROJECT
AS OF NOVEMBER 7, 1997 ⁽¹⁾**

(Prepared by the Office of the City Auditor)

• FOUR PRIMARY COMPONENTS OF MIERS PROJECT •

<u>Name of Contractor</u>	<u>Approved Budget</u>	<u>Amount Paid As of 11/7/97</u>	<u>RFP Request for Proposal</u>	<u>GIS Geographic Information System</u>	<u>EMIS Interim Emergency Management Information System</u>	<u>EMIS Emergency Management Information System</u>	<u>Remaining Balance As of 11/7/97</u>
<u>Digital Equipment Corporation (DEC)</u>							
• Council Resolution No. 72868, 7/30/96	\$2,200,000 <u>2,457,000</u>						
	<u>\$4,657,000</u>	\$3,915,371 ⁽²⁾	\$ 0	\$1,415,134	\$ 0	\$2,500,237	\$741,629 ⁽²⁾
<u>Metropolitan Forum</u>							
• Council Resolution No. 70651, 1/4/94	<u>\$ 60,000</u>	60,000	0	60,000	0	0	0
<u>SYNON</u>							
• Council Resolution No. 70751, 2/8/94	\$ 310,000						
• Council Resolution No. 71670, 2/21/95	<u>90,000</u>						
	<u>\$ 400,000</u>	396,224	0	396,224	0	0	3,776

**MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE FINANCIAL SUMMARY OF CONTRACTS IN CONNECTION WITH
COUNCIL RESOLUTIONS AND BUDGETS, WITH PAYMENTS TO CONTRACTORS
LINKED TO APPLICABLE COMPONENT(S) OF MIERS PROJECT
AS OF NOVEMBER 7, 1997 ⁽¹⁾**

(Prepared by the Office of the City Auditor)

• FOUR PRIMARY COMPONENTS OF MIERS PROJECT •							
<u>Name of Contractor</u>	<u>Approved Budget</u>	<u>Amount Paid As of 11/7/97</u>	<u>RFP Request for Proposal</u>	<u>GIS Geographic Information System</u>	<u>IEMIS Interim Emergency Management Information System</u>	<u>EMIS Emergency Management Information System</u>	<u>Remaining Balance As of 11/7/97</u>
<u>Zeiger Engineers</u>							
• Council Resolution No. 71243, 7/26/94	\$ 213,948	\$ 213,035	\$ 0	\$ 213,035	\$ 0	\$ 0	\$ 913
<u>Miscellaneous Vendors</u>	\$ 169,026	110,487	0	110,487	0	0	58,539
Total	\$7,569,974	\$6,686,040 ⁽²⁾	\$780,663	\$2,857,709	\$289,532	\$2,758,136	\$883,934 ⁽²⁾

⁽¹⁾ The November 7, 1997 date is the cut-off date pertaining to the last payment made on the contractors' invoices included in our review of invoices.

⁽²⁾ Payments totaling \$499,760 made to DEC between November 7, 1997 and December 12, 1997 have not been included in the amount paid as of November 7, 1997, and have not been deducted from the November 7, 1997 remaining balance.

The financial impact of any other outstanding unpaid invoices and DEC Change Orders is unknown at this time. The Director of OCIS is researching this matter.

**MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT,
MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE OPERATIONAL SUMMARY OF CONTRACTS
IN CONNECTION WITH COUNCIL RESOLUTIONS,
DELIVERABLES PER CONTRACTS AND DELIVERABLES RECEIVED BY CITY
AS OF NOVEMBER 7, 1997 ⁽¹⁾
(Prepared by the Office of the City Auditor)**

• CONTENTS OF SCHEDULE B •

- I. What City wanted done as stated in Council Resolutions and in supporting staff reports to Council.
- II. Outline of deliverables that City will receive from the specified contractor as stated in the contractual agreements and amendments.
- III. Summary of deliverables received from the specified contractor based on available information.
- IV. Summary of deliverables not yet received in full or not yet received from the specified contractor based on available information.

• MIERS PROJECT CONTRACTORS •

- CH2M Hill
- Digital Equipment Corporation (DEC)
- Metropolitan Forum
- SYNON
- Zeiger Engineers
- Various Vendors

**MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT,
MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE OPERATIONAL SUMMARY OF CONTRACTS
IN CONNECTION WITH COUNCIL RESOLUTIONS,
DELIVERABLES PER CONTRACTS AND DELIVERABLES RECEIVED BY CITY
AS OF NOVEMBER 7, 1997 ⁽¹⁾
(Prepared by the Office of the City Auditor)**

• NOTES TO SCHEDULE B •

- (1) The November 7, 1997 date is the cut-off date pertaining to the last payment made on the contractors' invoices included in our review of the invoices. References to the December 1997 test date and the January 1998 test date are presented for the purpose of adequate disclosure.
- (2) In September 1994, the initial scope statement signed by the City Manager and the then-Director of the Office of Communications and Information Services (OCIS) stated that the objective of the MIERS Project was "...to develop a system that supports the ability for the City of Oakland to prepare for, respond to, and recover from any emergency." The Request for Proposal (RFP) for construction and development of MIERS described a design which would address five major classes of emergencies: hazardous materials, fire, flood, civil disturbance and earthquake.

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In September 1995, participants at the Facilitated Information Gathering (FIG) sessions began to identify information and process requirements for MIERS Release 2.0, Fire. It was anticipated that "...the Release 2.0 requirements would be integrated..." into the MIERS Release 1.0, Hazardous Materials requirements after Release 1.0 was delivered.

According to Office of Communications and Information Services (OCIS) staff: (a) work on the requirements definition for Release 2.0, Fire, was suspended in order to focus on Release 1.0, Hazardous Materials; (b) some preliminary requirements definition were identified for Flood (Winter Storm), during the testing phase of Release 1.0; and (c) no work was performed on the other emergency types.

- (3) The items listed in Section II. represent the major deliverables to be received from each contractor. A complete list of deliverables is appended to each contract.

MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE OPERATIONAL SUMMARY OF CONTRACTS IN CONNECTION WITH
COUNCIL RESOLUTIONS, DELIVERABLES PER CONTRACTS AND DELIVERABLES RECEIVED BY CITY
AS OF NOVEMBER 7, 1997 ⁽¹⁾

(Prepared by the Office of the City Auditor)

I. WHAT CITY WANTED DONE AS STATED IN
COUNCIL RESOLUTIONS AND IN SUPPORTING STAFF REPORTS TO COUNCIL

See Note 2, "Notes to Schedule B," on Page 2

GENERAL GOALS: FOUR COMPONENTS OF MIERS

RFP

Request for Proposal

Obtain assistance to: (1) develop RFP; and
(2) select and qualify a vendor to develop
the EMIS/GIS.

GIS

Geographic Information System

Obtain assistance to: (1) enhance the
existing GIS, including development of a
basemap on CityNet, to support the
emergency response system; and (2)
develop a desktop personal computer
version of a Citywide GIS.

IEMIS

Interim Emergency Management
Information System

Obtain assistance to design, develop,
purchase and install IEMIS in order to
provide emergency response if needed prior
to implementation of EMIS (to include flood,
fire, earthquake, hazardous materials and
civil disturbance).

EMIS

Emergency Management
Information System

Obtain assistance to design, develop,
purchase and implement Citywide EMIS/
GIS.

**MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE OPERATIONAL SUMMARY OF CONTRACTS IN CONNECTION WITH
COUNCIL RESOLUTIONS, DELIVERABLES PER CONTRACTS AND DELIVERABLES RECEIVED BY CITY
AS OF NOVEMBER 7, 1997 ⁽¹⁾**

(Prepared by the Office of the City Auditor)

**II. OUTLINE OF DELIVERABLES THAT CITY WILL RECEIVE FROM THE SPECIFIED
CONTRACTOR AS STATED IN THE CONTRACTUAL AGREEMENTS AND AMENDMENTS**

See Note 3, "Notes to Schedule B," on Page 2

CONTRACTOR: CH2M HILL

**RFP
Request for Proposal**

- MIERS Project Plans for requirements document for RFP, and for vendor qualification and award.
- Facilitate Joint Application Design Meetings (i.e., Facilitated Information Gathering [FIG] Sessions).
- MIERS Requirements Document for RFP; e.g., data and process architectures; network and computer constraints; security, audit and control procedures.
- Create Benchmark Environment; e.g., acquire hardware and software.
- RFP Production.
- Vendor Qualification and Evaluation.

**GIS
Geographic Information System**

- MIERS Project Plan for data conversion.
- Develop a set of tasks necessary to develop a GIS application to support emergency planning and/or emergency response.
- Data Conversion; e.g., cadastral layer (i.e., parcel boundaries), street light layer, Public Safety layers.

**IEMIS
Interim Emergency Management
Information System**

- Create system specifications.
- Acquire and install systems and application hardware and software.
- Conduct IEMIS training.

**EMIS
Emergency Management
Information System**

- MIERS Project Plan for acceptance testing phase.
- Create Development Environment; e.g., acquire hardware and software.
- Prepare Acceptance Test Plan; e.g., define hazardous materials exercises, identify and establish test data, develop testing and evaluation procedures.
- Conduct Acceptance Test ⁽¹⁾ and Implement ⁽²⁾.

Notes:

⁽¹⁾ The testing performed was identified as "Client Demonstration of Capabilities."

⁽²⁾ The term "Implement" needs clarification. There is no written documentation to indicate or define the task(s) to be implemented.

**MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE OPERATIONAL SUMMARY OF CONTRACTS IN CONNECTION WITH
COUNCIL RESOLUTIONS, DELIVERABLES PER CONTRACTS AND DELIVERABLES RECEIVED BY CITY
AS OF NOVEMBER 7, 1997 ⁽¹⁾
(Prepared by the Office of the City Auditor)**

**III. SUMMARY OF DELIVERABLES RECEIVED FROM THE SPECIFIED
CONTRACTOR BASED ON AVAILABLE INFORMATION**

CONTRACTOR: CH2M HILL

RFP
Request for Proposal

- MIERS Project Plans for requirements document for RFP, and for vendor qualification and award.
- Facilitated Joint Application Design Meetings (i.e., Facilitated Information Gathering [FIG] sessions).
- MIERS Requirements Document for RFP; e.g., data and process architectures; network and computer constraints; security, audit and control procedures.
- Created Benchmark Environment; e.g., acquired hardware and software.
- RFP Production.
- Vendor Qualification and Evaluation.

GIS
Geographic Information System

- Developed a set of tasks necessary to develop a GIS application to support emergency planning and/or emergency response.
- Data Conversion: A substantial amount of the deliverable was received. However, there is a lack of consensus between OCIS and end users as to the accuracy and completeness of some of the GIS layers delivered.
- Acquired hardware and software. (Not specifically listed as a deliverable on the contract.)

IEMIS
**Interim Emergency Management
Information System**

- On January 30, 1998, OCIS staff provided the City Auditor with various documents for review. This information has not been evaluated by us.

EMIS
**Emergency Management
Information System**

- Created Development Environment; e.g., acquired hardware and software.
- Prepared Acceptance Test Plan; e.g., defined hazardous materials exercise, identified and established test data, developed testing and evaluation procedures.
- Conducted Acceptance Test. ⁽¹⁾
 - Results of December 1997 tests ⁽¹⁾ were inconclusive.
 - Results of January 1998 tests ⁽¹⁾ are under review.

Note:

- ⁽¹⁾ Described in consultant's report on testing as "Client Demonstration of Capabilities."

**MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE OPERATIONAL SUMMARY OF CONTRACTS IN CONNECTION WITH
COUNCIL RESOLUTIONS, DELIVERABLES PER CONTRACTS AND DELIVERABLES RECEIVED BY CITY
AS OF NOVEMBER 7, 1997 ⁽¹⁾**

(Prepared by the Office of the City Auditor)

**IV. SUMMARY OF DELIVERABLES NOT YET RECEIVED IN FULL OR NOT YET RECEIVED
FROM THE SPECIFIED CONTRACTOR BASED ON AVAILABLE INFORMATION**

CONTRACTOR: CH2M HILL

RFP
Request for Proposal

GIS
Geographic information System

- MIERS Project Plan for Data Conversion.
- OCIS staff is obtaining a copy for the City Auditor's review.
- Data Conversion: A substantial amount of the deliverable was received. However, there is a lack of consensus between OCIS and end users as to the accuracy and completeness of some of the GIS layers delivered.

The Director of OCIS has been meeting with the contractor and end users to clarify this matter, including data conversion pertaining to street light layer, cadastral layer and Public Safety layers.

IEMIS
**Interim Emergency Management
Information System**

- City did not receive a working IEMIS.
- The Director of OCIS has been meeting with the contractor and end users to clarify this matter.

EMIS
**Emergency Management
Information System**

- MIERS Project Plan for acceptance testing phase.
- OCIS staff is obtaining a copy for the City Auditor's review
- The deliverable "and Implement" needs clarification. We found no written documentation to define or address the task(s) to be implemented.

**MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE OPERATIONAL SUMMARY OF CONTRACTS IN CONNECTION WITH
COUNCIL RESOLUTIONS, DELIVERABLES PER CONTRACTS AND DELIVERABLES RECEIVED BY CITY
AS OF NOVEMBER 7, 1997 ⁽¹⁾
(Prepared by the Office of the City Auditor)**

**II. OUTLINE OF DELIVERABLES THAT CITY WILL RECEIVE FROM THE SPECIFIED
CONTRACTOR AS STATED IN THE CONTRACTUAL AGREEMENTS AND AMENDMENTS**

See Note 3, "Notes to Schedule B," on Page 2

CONTRACTOR: DIGITAL EQUIPMENT CORPORATION (DEC)

**RFP
Request for Proposal**

**GIS
Geographic Information System**

- Provide professional services.
- Acquire software.

**IEMIS
Interim Emergency Management
Information System**

**EMIS
Emergency Management
Information System**

- Develop and install EMIS (MIERS Release 1.0, Hazardous Materials).
- Provide Object-Relational Data Base Management System (ORDBMS).
- Provide data repository.
- Provide program management and training.
- Acquire hardware, software, telecommunications and information technology management tools.
- Hardware and software maintenance (5 years).

MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE OPERATIONAL SUMMARY OF CONTRACTS IN CONNECTION WITH
COUNCIL RESOLUTIONS, DELIVERABLES PER CONTRACTS AND DELIVERABLES RECEIVED BY CITY
AS OF NOVEMBER 7, 1997 ⁽¹⁾
(Prepared by the Office of the City Auditor)

III. SUMMARY OF DELIVERABLES RECEIVED FROM THE SPECIFIED
CONTRACTOR BASED ON AVAILABLE INFORMATION

CONTRACTOR: DIGITAL EQUIPMENT CORPORATION (DEC)

RFP
Request for Proposal

GIS
Geographic Information System

- Provided professional services: A substantial amount of the deliverable was received. However, there is a lack of consensus between OCIS and end users as to the accuracy and completeness of some of the GIS layers delivered.
- Acquired software.

IEMIS
Interim Emergency Management
Information System

EMIS
Emergency Management
Information System

- Provided Object-Relational Data Base Management System (ORDBMS); December 1997 testing of ORDBMS was incomplete.
- Provided data repository.
- Provided program management & training.
- Acquired substantial hardware, software, telecommunications and information technology management tools.

MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE OPERATIONAL SUMMARY OF CONTRACTS IN CONNECTION WITH
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IV. SUMMARY OF DELIVERABLES NOT YET RECEIVED IN FULL OR NOT YET RECEIVED
FROM THE SPECIFIED CONTRACTOR BASED ON AVAILABLE INFORMATION

CONTRACTOR: DIGITAL EQUIPMENT CORPORATION (DEC)

RFP
Request for Proposal

GIS
Geographic Information System

- Provided professional services: A substantial amount of the deliverable was received. However, there is a lack of consensus between OCIS and end users as to the accuracy and completeness of some of the GIS layers delivered.

The Director of OCIS has been meeting with the contractor and end users to clarify this matter.

IEMIS
Interim Emergency Management
Information System

EMIS
Emergency Management
Information System

- MIERS Release 1.0 underwent a "Client Demonstration of Capabilities" testing in December 1997, with inconclusive results. A second round of testing was performed in mid-January 1998. Results are under review.
- Some computers and related equipment are to be purchased and delivered upon the relocation of the Emergency Operations Center to its final headquarters.
- Hardware and software maintenance (5 years).
- OCIS staff is preparing a detailed schedule pertaining to DEC's hardware and software maintenance agreement (5 years).

**MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE OPERATIONAL SUMMARY OF CONTRACTS IN CONNECTION WITH
COUNCIL RESOLUTIONS, DELIVERABLES PER CONTRACTS AND DELIVERABLES RECEIVED BY CITY
AS OF NOVEMBER 7, 1997 ⁽¹⁾**

(Prepared by the Office of the City Auditor)

**II. OUTLINE OF DELIVERABLES THAT CITY WILL RECEIVE FROM THE SPECIFIED
CONTRACTOR AS STATED IN THE CONTRACTUAL AGREEMENTS AND AMENDMENTS**

See Note 3, "Notes to Schedule B," on Page 2

CONTRACTOR: METROPOLITAN FORUM

RFP
Request for Proposal

GIS
Geographic Information System

EMIS
Interim Emergency Management
Information System

EMIS
Emergency Management
Information System

- Provide technical support for the design, development and implementation of the City's EMIS/ GIS.
- Technical expertise and assistance in GIS
- Evaluation criteria for RFP and assistance in evaluation of vendor qualifications

MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE OPERATIONAL SUMMARY OF CONTRACTS IN CONNECTION WITH
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III. SUMMARY OF DELIVERABLES RECEIVED FROM THE SPECIFIED
CONTRACTOR BASED ON AVAILABLE INFORMATION

CONTRACTOR: METROPOLITAN FORUM

RFP
Request for Proposal

GIS
Geographic Information System

IEMIS
Interim Emergency Management
Information System

EMIS
Emergency Management
Information System

- Provided technical support for the design, development and implementation of the City's EMIS/ GIS.
- Technical expertise and assistance in GIS
- Evaluation criteria for RFP and assistance in evaluation of vendor qualifications

MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE OPERATIONAL SUMMARY OF CONTRACTS IN CONNECTION WITH
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II. OUTLINE OF DELIVERABLES THAT CITY WILL RECEIVE FROM THE SPECIFIED
CONTRACTOR AS STATED IN THE CONTRACTUAL AGREEMENTS AND AMENDMENTS

See Note 3, "Notes to Schedule B," on Page 2

CONTRACTOR: SYNON

RFP
Request for Proposal

GIS
Geographic Information System

IEMIS
Interim Emergency Management
Information System

EMIS
Emergency Management
Information System

- Acquire AS/400 computer upgrades.
- Acquire SYNON software to support development & maintenance of EMIS/GIS.
- Provide SYNON training.

**MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
COMPREHENSIVE OPERATIONAL SUMMARY OF CONTRACTS IN CONNECTION WITH
COUNCIL RESOLUTIONS, DELIVERABLES PER CONTRACTS AND DELIVERABLES RECEIVED BY CITY
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**III. SUMMARY OF DELIVERABLES RECEIVED FROM THE SPECIFIED
CONTRACTOR BASED ON AVAILABLE INFORMATION**

CONTRACTOR: SYNON

RFP
Request for Proposal

GIS
Geographic Information System

IEMIS
Interim Emergency Management
Information System

EMIS
Emergency Management
Information System

- Acquired AS/400 computer upgrades.
- Acquired SYNON software to support development and maintenance of EMIS/GIS; SYNON software maintenance contract was not renewed by the City.
- Provided SYNON training.

MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
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II. OUTLINE OF DELIVERABLES THAT CITY WILL RECEIVE FROM THE SPECIFIED
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See Note 3, "Notes to Schedule B," on Page 2

CONTRACTOR: ZEIGER ENGINEERS

RFP
Request for Proposal

GIS
Geographic Information System

IEMIS
Interim Emergency Management
Information System

EMIS
Emergency Management
Information System

- Provide digital ortho-photo basemap of the City of Oakland in support of emergency preparedness and response.

MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
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III. SUMMARY OF DELIVERABLES RECEIVED FROM THE SPECIFIED
CONTRACTOR BASED ON AVAILABLE INFORMATION

CONTRACTOR: ZEIGER ENGINEERS

RFP
Request for Proposal

GIS
Geographic Information System

IEMIS
Interim Emergency Management
Information System

EMIS
Emergency Management
Information System

- Provided digital ortho-photo basemap in support of emergency preparedness and response.

**MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
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**II. OUTLINE OF DELIVERABLES THAT CITY WILL RECEIVE FROM THE SPECIFIED CONTRACTOR
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See Note 3, "Notes to Schedule B," on Page 2

CONTRACTOR: VARIOUS VENDORS

RFP
Request for Proposal

GIS
Geographic Information System

IEMIS
Interim Emergency Management
Information System

EMIS
Emergency Management
Information System

- Various hardware, software and tele-communications equipment.

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**MEASURE "I" EMERGENCY RESPONSE SYSTEM (MIERS) PROJECT, MIERS RELEASE 1.0, HAZARDOUS MATERIALS
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**III. SUMMARY OF DELIVERABLES RECEIVED FROM THE SPECIFIED
CONTRACTOR BASED ON AVAILABLE INFORMATION**

CONTRACTOR: VARIOUS VENDORS

RFP
Request for Proposal

GIS
Geographic Information System

IEMIS
Interim Emergency Management
Information System

EMIS
Emergency Management
Information System

- Various hardware, software and telecommunications equipment.



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